

LEGAL**REQUIREMENT**

42 USC 657

The Child Support Enforcement System (CSES) processes reports of child and child/spousal support collections submitted by Friends of the Court in FIP cases. CSES edits records for technical validity and matches collection and FIP case records by FIA case number.

**DISTRIBUTED
COLLECTIONS**

Collection records that pass system edits are distributed by the Central Financial component of CSES. That component applies collections to FIP grants and calculates state entitlements and amounts due families.

Payments

CSES calculates three types of support payments that are issued by the Agency:

- A child **support participation payment** of up to \$50 is paid to an FIP recipient when current support is reported for the family for a month.
- A **reimbursement** is paid to an FIP recipient when support collected for the family exceeds the amount the State can retain to offset public assistance issued under title IV-A paid. The reimbursable portion of a current collection is the amount by which the collection, minus the child support participation payment, exceeds the family's FIP grant for the collection month.
- A **refund** is paid when support is misdirected to the State. CSES identifies refunds payable when:
 - A current collection is received for a closed FIP case after the month of FIP case closure.
 - An undistributed collection is not associated with an FIA case and cannot be retained by the State. See "Undistributed Collections" later in this chapter.

Note: Collections may be misdirected to the State and be refundable for other reasons. See Chapter 650, Section 4000, for policy on refunds not identified by CSES.

**Payment
Timeframes**

CSES calculates and the Agency issues participation payments, reimbursements, and refunds of current collections. The Agency issues refunds of current collections within 15 days of the first day of the collection reporting cycle. For example, current support refunds payable from collections reported by Friends of the Court for the 1st through the 8th of a month are issued by the 15th of the month. Refunds of undistributed collections are paid monthly. Reimbursements are distributed twice monthly, on the second and end of month cycles. Child Support Participation Payments are distributed twice monthly. On the fourth (for

reporting cycles 1-3) and end of the month (for the 4th and EOM cycles) cycles.

Chapter 640 contains the collection reporting and FIA payroll schedule.

State Entitlements

The State retains current collections up to the amount of assistance granted for a family for the collection month. The State also retains arrearage collections to repay past assistance granted to the family which has not been reimbursed.

**Distributed
Collection Report**

CSES produces a monthly report for Friends of the Court that identifies distributed collections and payments calculated from those collections. See facsimile of the FOC Distributed Collection Report in Exhibit 1. Refund records on the Distributed Collection Report identify cases that may require action to process a decertification and redirect current support to a former FIP recipient. Friends of the Court should ensure that accounts are updated when applicable.

**UNDISTRIBUTED
COLLECTIONS**

CSES pends collection records that fail system edits. Those records require correction before the collections can be distributed.

Record Correction

The Office of Child Support coordinates resolution of undistributed collection records and may contact Friends of the Court for assistance. Corrections generally involve identifying the correct FIA case associated with an undistributed collection. OCS attempts to correct records within the first month after a record pends and notifies FOCs of the corrections. FOCs must correct local records, as necessary, to prevent reoccurrence of the errors.

If OCS cannot correct the FIA case number or otherwise correct the record, the undistributed collection is refunded to the Friend of the Court. The refund is generated by CSES on the second end-of-month cycle after the record initially pended.

Note: Incentive payments are negatively adjusted for refunded collections as described in Chapters 840 and 850.

**Undistributed
Collection Report**

Friends of the Court receive the Undistributed Collection Report monthly identifying pended collection records. Exhibit 2 contains a facsimile and description of that report and edits.